

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of Long-term Request for Offer Results and for Adoption of Cost Recovery and Ratemaking Mechanisms.

Application 06-04-012 (Filed April 11, 2006)

(U 39 E)

ADMINISTRATIVE LAW JUDGE'S RULING FINDING AGLET CONSUMER ALLIANCE AND THE UTILITY REFORM NETWORK ELIGIBLE TO CLAIM INTERVENOR COMPENSATION

I. Summary

Aglet Consumer Alliance (Aglet) and The Utility Reform Network (TURN) are eligible to claim compensation in this proceeding. A finding of eligibility, however, does not necessarily guarantee an award of compensation. Aglet and TURN should not duplicate the efforts of other parties by taking the same approach to the same issues as it could result in a reduction in the amount of compensation ultimately awarded. The requirements of Pub. Util. Code §§ 1801-1804¹ are addressed below.

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¹ All statutory references are to the Pub. Util. Code.

II. NOI Requirements

A. Timely Filing

Pursuant to § 1804(a)(1), a customer who intends to seek a compensation award shall, within 30 days after the Prehearing Conference (PHC), file and serve a Notice of Intent (NOI) to claim compensation on all parties to the proceeding. The first PHC in this proceeding was held on May 25, 2006, and Aglet and TURN timely filed their NOIs on June 26, 2006.

B. Customer Status

Pursuant to Decision (D.) 98-04-059, this ruling must determine whether the intervenor is a customer, as defined in § 1802(b), and whether the intervenor is a participant representing consumers, a representative authorized by a customer, or a representative of a group or organization that is authorized by its bylaws or articles of incorporation to represent the interests of residential ratepayers.

Aglet and TURN meet this requirement as they are organizations, as described in § 1802(b)(1)(C), authorized pursuant to their articles of incorporation to represent the interests of their members, many of whom are residential ratepayers.

C. Significant Financial Hardship

Only those customers for whom participation or intervention would impose a significant financial hardship may receive intervenor compensation. Section 1804(a)(2)(B) allows the customer to include a showing of significant financial hardship in the NOI. Section 1802(g) defines "significant financial hardship":

"Significant financial hardship" means either that the customer cannot without undue hardship afford to pay

the costs of effective participation, including advocate's fees, expert witness fees, and other reasonable costs of participation, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding. Alternatively, the customer may make the required showing in the request for an award of compensation.

Aglet and TURN meet this requirement through a rebuttable presumption of eligibility, pursuant to § 1804(b)(1), as they were found eligible for compensation in other proceedings that commenced within one year of this proceeding. Aglet obtained a finding of significant hardship on November 15, 2005, by ruling on that date in Application (A.) 05-06-006 *et al*. TURN obtained a finding of significant hardship on November 4, 2005, in A.05-02-027. Should any party rebut this presumption, Aglet and TURN are granted leave to furnish evidence of their significant financial hardship within 10 days of the rebuttal filing.

D. Nature and Extent of Planned Participation

Section 1804(a)(2)(A)(i) requires an NOI to include a statement of the nature and extent of the customer's planned participation in the proceeding to the extent this can be predicted.

Aglet intends to participate by serving written testimony, participating in evidentiary hearings, preparing post-hearing briefs, and filing other necessary pleadings. Aglet intends to focus on contract evaluation, reasonableness of the amount of power procured, modeling and selection criteria, the reliability of the proposed purchase power agreement with Calpine Russell City, ratemaking issues, and cost allocation.

TURN intends to participate by providing expert testimony, cross-examining witnesses, and submitting briefs and comments as required. TURN intends to focus on the reasonableness and cost-effectiveness of certain of the proposed contracts, the amount of power procured, and the ratemaking treatment for projects that will be utility-owned.

Aglet and TURN both state their intention to coordinate, as much as possible, with each other and with other parties in order to avoid unnecessary duplication of effort.

E. Itemized Estimate of Compensation

Section 1804(a)(2)(A)(ii) requires that NOIs include an itemized estimate of the compensation the customer expects to receive.

Aglet estimates a total projected budget of \$57,760 for this case, as outlined below, based on proposed hourly rates that it will address in its request for compensation, if it files one. The estimate breaks down as follows:

Amount	Description	
Fees		
\$5,200	20 hours of professional time by James Weil at \$260/hour	
\$1,820	14 hours of compensation time by James Weil at \$130/hour	
\$48,000	240 hours of professional time by Jan Reid at \$200/hour	
\$1,600	16 hours of travel time by Jan Reid at \$100/hour	
\$400	4 hours of compensation time by Jan Reid at \$100/hour	
Costs		
\$740	Miscellaneous expenses	
\$57,760	Total	

TURN estimates a total projected budget of \$115,000 for this case, as outlined below, based on proposed hourly rates for 2006 that TURN will address in its hourly rate filing in Rulemaking 04-10-010. The estimate breaks down as follows:

Amount	Description
Fees	
\$61,250	125 hours of attorney time by Michel P. Florio at \$490/hour
\$33,750	150 hours of expert witness time by Kevin Woodruff at \$225/hour
\$16,500	75 hours of expert witness time by William Marcus at \$220/hour
Costs	
\$3,500	Miscellaneous direct expenses
\$115,000	Total

Aglet and TURN satisfactorily present an itemized estimate of the compensation they expect to request, although we will require far more specificity in their consultant costs when they ultimately seek compensation. Moreover, the number of hours and the hourly rates may be excessive and, as must any intervenor, Aglet and TURN must fully support its request for compensation, including the reasonableness of the hours spent and hourly rates.

IT IS RULED that:

- 1. Aglet Consumer Alliance (Aglet) has met the eligibility requirements of Pub. Util. Code § 1804(a), including the requirement that it establish significant financial hardship, and Aglet is found eligible for compensation in this proceeding.
- 2. The Utility Reform Network (TURN) has met the eligibility requirements of Pub. Util. Code § 1804(a), including the requirement that it establish

significant financial hardship, and TURN is found eligible for compensation in

this proceeding.

3. Aglet is a customer as that term is defined in § 1802(b)(1)(C), as it is a

group or organization authorized to represent the interests of residential

ratepayers.

4. TURN is a customer as that term is defined in § 1802(b)(1)(C), as it is a

group or organization authorized to represent the interests of residential

ratepayers.

5. A finding of eligibility in no way assures compensation.

6. Aglet and TURN shall make every effort to reduce duplication of

contribution.

Dated July 17, 2006, at San Francisco, California.

/s/ HALLIE YACKNIN

Hallie Yacknin Administrative Law Judge

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document is current as of today's date.

Dated July 18, 2006, at San Francisco, California.



NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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****** APPEARANCES ********

Marc D. Joseph Attorney At Law

ADAMS, BROADWELL, JOSEPH & CARDOZO

601 GATEWAY BLVD., STE. 1000 SOUTH SAN FRANCISCO CA 94080

(650) 589-1660

mdjoseph@adamsbroadwell.com

For: Coalition of California Utility Employee & California

Unions for Reliable Energy

James Weil Director

AGLET CONSUMER ALLIANCE

PO BOX 37 COOL CA 95614 (530) 885-5252 jweil@aglet.org

For: Aglet Consumer Alliance

James Weil

AGLET CONSUMER ALLIANCE

PO BOX 37 COOL CA 95614 (530) 885-5252 jweil@aglet.org

For: Aglet Consumer Alliance

Rod Aoki Attorney At Law

ALCANTAR & KAHL, LLP

120 MONTGOMERY STREET, SUITE 2200

SAN FRANCISCO CA 94104

(415) 421-4143 rsa@a-klaw.com

For: Cogeneration Association of California

Seema Srinivasan Attorney At Law

ALCANTAR & KAHL, LLP

120 MONTGOMERY STREET, SUITE 2200

SAN FRANCISCO CA 94104

(415) 421-4143 sls@a-klaw.com

For: Energy Producers & Users Coalition

Bruce Mclaughlin

BRAUN & BLAISING P.C. 915 L STREET, SUITE 1420 SACRAMENTO CA 95814

(916) 682-9702

Scott Blaising Attorney At Law

BRAUN & BLAISING, P.C. 915 L STREET, STE. 1420 SACRAMENTO CA 95814

(916) 682-9702

blaising@braunlegal.com

For: California Municipal Utilities Association

Andrew Ulmer

CALIFORNIA DEPARTMENT OF WATER RESOURCE

1416 NINTH STREET, SUITE 1118

SACRAMENTO CA 95814

(916) 653-8826

aulmer@water.ca.gov

For: California Department of Water Resources - State Water

Project

Jan Reid

COAST ECONOMIC CONSULTING

3185 GROSS ROAD SANTA CRUZ CA 95062

(831) 476-5700

janreid@coastecon.com For: Aglet Consumer Alliance

Lisa Decker Counsel

CONSTELLATION ENERGY GROUP, INC.

111 MARKET PLACE, SUITE 500

BALTIMORE MD 21202

(410) 468-3792

lisa.decker@constellation.com

For: Constellation Energy Commodities Group, Inc.

Jeffrey P. Gray Attorney At Law

DAVIS WRIGHT TREMAINE, LLP

ONE EMBARCADERO CENTER, SUITE 600

SAN FRANCISCO CA 94111

(415) 276-6581 jeffgray@dwt.com For: Calpine Corporation

Daniel W. Douglass Attorney At Law

DOUGLASS & LIDDELL

21700 OXNARD STREET, SUITE 1030 WOODLAND HILLS CA 91367

(818) 961-3001

douglass@energyattorney.com For: Direct Access Customer Coalition

blaising@braunlegal.com

For: Municipal Utilities Association

Daniel W. Douglass Attorney At Law

DOUGLASS & LIDDELL

21700 OXNARD STREET, SUITE 1030 WOODLAND HILLS CA 91367

(818) 961-3001

douglass@energyattorney.com For: Western Power Trading Forum

Gregory Klatt Attorney At Law

DOUGLASS & LIDDELL

21700 OXNARD STREET, NO.1030 WOODLAND HILLS CA 91367

(818) 961-3002

klatt@energyattorney.com

For: Alliance for Retail Energy Markets

Ann L. Trowbridge Attorney At Law DOWNEY BRAND, LLP

555 CAPITOL MALL, 10TH FLOOR

SACRAMENTO CA 95814

(916) 444-1000

atrowbridge@downeybrand.com

For: Merced Irrigation District and Modesto Irrigation District

Andrew B. Brown Attorney At Law

ELLISON, SCHNEIDER & HARRIS, LLP

2015 H STREET

SACRAMENTO CA 95814

(916) 447-2166 abb@eslawfirm.com

For: Constellation Generation Group

Carolyn Kehrein

ENERGY MANAGEMENT SERVICES

1505 DUNLAP COURT DIXON CA 95620 (707) 678-9506

cmkehrein@ems-ca.com For: Energy Users Forum

William H. Booth Attorney At Law

LAW OFFICES OF WILLIAM H. BOOTH 1500 NEWELL AVENUE, 5TH FLOOR

WALNUT CREEK CA 94596

(925) 296-2460

wbooth@booth-law.com

For: CA Large Energy Consumers Assoc.

Joy Warren Attornev At Law

MODESTO IRRIGATION DISTRICT

1231 11TH STREET MODESTO CA 95354 (209) 526-7388 joyw@mid.org

For: Modesto Irrigation District

Noel Obiora Legal Division RM. 4107

505 VAN NESS AVE San Francisco CA 94102

(415) 703-5987 nao@cpuc.ca.gov

Jennifer K. Post Attorney At Law

PACIFIC GAS AND ELECTRIC COMPANY

PO BOX 7442

SAN FRANCISCO CA 94105

(415) 973-9809 jlkm@pge.com

For: Pacific Gas and Electric Company

John W. Bogy Attorney At Law

PACIFIC GAS AND ELECTRIC COMPANY

PO BOX 7442

SAN FRANCISCO CA 94120

(415) 973-8302 j0b5@pge.com

For: Pacific Gas and Electric Company

Laura Genao COLIN CUSHNIE Attorney At Law

SOUTHERN CALIFORNIA EDISON COMPANY

2244 WALNUT GROVE AVENUE

ROSEMEAD CA 91770

(415) 929-5530

laura.genao@sce.com

For: Southern California Edison

Keith Mccrea Attorney At Law

SUTHERLAND, ASBILL & BRENNAN 1275 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004-2415

(202) 383-0705

keith.mccrea@sablaw.com

For: CA Manufacturers & Technology Assn.

Michel Peter Florio Attorney At Law THE UTILITY REFORM NETWORK 711 VAN NESS AVENUE, SUITE 350 SAN FRANCISCO CA 94102 (415) 929-8876 302 mflorio@turn.org

Michel Peter Florio MATTHEW FREEDMAN Attorney At Law THE UTILITY REFORM NETWORK (TURN) 711 VAN NESS AVENUE, SUITE 350 SAN FRANCISCO CA 94102 (415) 929-8876 mflorio@turn.org For: TURN

****** STATE EMPLOYEE *******

Truman L. Burns Division of Ratepayer Advocates RM. 4102 505 VAN NESS AVE San Francisco CA 94102 (415) 703-2932 txb@cpuc.ca.gov

Matthew Deal Energy Division AREA 4-A 505 VAN NESS AVE San Francisco CA 94102 (415) 703-5649 mjd@cpuc.ca.gov

Farzad Ghazzagh Division of Ratepayer Advocates RM. 4209 505 VAN NESS AVE San Francisco CA 94102 (415) 703-1694 fxg@cpuc.ca.gov

Merideth Sterkel Energy Division AREA 4-A 505 VAN NESS AVE San Francisco CA 94102 (415) 703-1873 mts@cpuc.ca.gov Hallie Yacknin Administrative Law Judge Division RM. 5003 505 VAN NESS AVE San Francisco CA 94102 (415) 703-1675 hsy@cpuc.ca.gov

****** INFORMATION ONLY *******

Gloria D. Smith ADAMS, BROADWELL, JOSEPH & CARDOZO 601 GATEWAY BLVD., SUITE 1000 SOUTH SAN FRANCISCO CA 94080 (650) 589-1660 gsmith@adamsbroadwell.com

Karen Terranova ALCANTAR & KAHL, LLP 120 MONTGOMERY STREET, STE 2200 SAN FRANCISCO CA 94104 (415) 421-4143 filings@a-klaw.com

Evelyn Kahl Attorney At Law ALCANTAR & KAHL, LLP 120 MONTGOMERY STREET, SUITE 2200 SAN FRANCISCO CA 94104 (415) 421-4143 ek@a-klaw.com

Barbara R. Barkovich BARKOVICH & YAP, INC. 44810 ROSEWOOD TERRACE MENDOCINO CA 95460 (707) 937-6203 brbarkovich@earthlink.net

CALIFORNIA ISO LEGAL AND REGULATORY DEPARTMENT 151 BLUE RAVINE ROAD FOLSOM CA 95630 e-recipient@caiso.com

Grant A. Rosenblum Staff Counsel CALIFORNIA ISO 151 BLUE RAVINE ROAD FOLSOM CA 95630 (916) 608-7138

grosenblum@caiso.com

Avis Kowalewski CALPINE CORPORATION 3875 HOPYARD ROAD, SUITE 345 PLEASANTON CA 94588 (925) 479-6640 kowalewskia@calpine.com

Steven S. Schleimer CALPINE CORPORATION 3875 HOPYARD ROAD, SUITE 345 PLEASANTON CA 94588 (925) 479-6808 sschleimer@calpine.com

Robert B. Gex Attorney At Law, Bart DAVIS WRIGHT TREMAINE LLP ONE EMBARCADERO CENTER, SUITE 600 SAN FRANCISCO CA 94111-3611 (415) 276-6500 bobgex@dwt.com

Dale E. Fredericks DG POWER LLC PO BOX 4400 WALNUT CREEK CA 94596-0400 (925) 938-9098 dale@dgpower.com

Donald C. Liddell P. C. DOUGLASS & LIDDELL 2928 2ND AVENUE SAN DIEGO CA 92103 (619) 993-9096 liddell@energyattorney.com

Perry Cole ENERGY CAPITAL PARTNERS 11943 EL CAMINO REAL, SUITE 220 SAN DIEGO CA 92130 (858) 703-4445 pcole@ecpartners.com

Kevin J. Simonsen ENERGY MANAGEMENT SERVICES 646 EAST THIRD AVENUE DURANGO CO 81301 (970) 259-1748 Eric Yussman Regulatory Analyst FELLON-MCCORD & ASSOCIATES 9960 CORPORATE CAMPUS DRIVE LOUISVILLE KY 40223 (502) 214-6331 eyussman@knowledgeinenergy.com

Ralph E. Dennis Director, Regulatory Affairs FELLON-MCCORD & ASSOCIATES 9960 CORPORATE CAMPUS DRIVE, STE 2000 LOUISVILLE KY 40223 (502) 214-6378 ralph.dennis@constellation.com

Mark J. Smith FPL ENERGY 383 DIABLO RD, SUITE 100 WALNUT CREEK CA 94526 (925) 831-0545 mark_j_smith@fpl.com

Brian T. Cragg Attorney At Law GOODIN, MACBRIDE, SQUERI, RITCHIE & DAY 505 SANSOME STREET, SUITE 900 SAN FRANCISCO CA 94111 (415) 392-7900 bcragg@gmssr.com

William B. Marcus JBS ENERGY, INC. 311 D STREET, SUITE A WEST SACRAMENTO CA 95605 (916) 372-0534 bill@jbsenergy.com.

Michael J. Gergen LATHAM & WATKINS LLP SUITE 1000 555 ELEVENTH STREET, NW WASHINGTON DC 20004-1304 (202) 637-2200 michael.gergen@lw.com

Karen Lindh LINDH & ASSOCIATES

kjsimonsen@ems-ca.com

7909 WALERGA ROAD, NO. 112, PMB119 ANTELOPE CA 95843 (916) 729-1562 karen@klindh.com

John W. Leslie Attorney At Law LUCE, FORWARD, HAMILTON & SCRIPPS, LLP 11988 EL CAMINO REAL, SUITE 200 SAN DIEGO CA 92130-2592 (858) 720-6300 jleslie@luce.com

David Marcus PO BOX 1287 BERKELEY CA 94701 (510) 528-0728 dmarcus2@sbcglobal.net

C. Susie Berlin Attorney At Law MC CARTHY & BERLIN, LLP 100 PARK CENTER PLAZA, SUITE 501 SAN JOSE CA 95113 (408) 288-2080 sberlin@mccarthylaw.com

Barry F. Mccarthy Attorney At Law MCCARTHY & BERLIN, LLP 100 PARK CENTER PLAZA, SUITE 501 SAN JOSE CA 95113 (408) 288-2080 bmcc@mccarthylaw.com

Christopher J. Mayer MODESTO IRRIGATION DISTRICT PO BOX 4060 MODESTO CA 95352-4060 (209) 526-7430 chrism@mid.org

MRW & ASSOCIATES, INC. 1999 HARRISON STREET, SUITE 1440 OAKLAND CA 94612 (510) 834-1999 mrw@mrwassoc.com

Scott Tomashefsky NORTHERN CALIFORNIA POWER AGENCY 180 CIRBY WAY ROSEVILLE CA 95678-6420 Mark W. Zimmermann PACIFIC GAS AND ELECTRIC COMPANY PO BOX 770000, MAIL CODE B8R SAN FRANCISCO CA 94177-0001 (415) 973-6515 MWZ1@pge.com

Stephanie La Shawn PACIFIC GAS AND ELECTRIC COMPANY 77 BEALE STREET, B8R SAN FRANCISCO CA 94105 (415) 973-8063 S1L7@pge.com

James Ross RCS, INC. 500 CHESTERFIELD CENTER, SUITE 320 CHESTERFIELD MO 63017 (636) 530-9544 jimross@r-c-s-inc.com

Case Administration SOUTHERN CALIFORNIA EDISON COMPANY 2244 WALNUT GROVE AVE., RM. 370 ROSEMEAD CA 91770 (626) 302-4875 case.admin@sce.com

Allan Thompson 21 C ORINDA WAY, NO. 314 ORINDA CA 94563 (925) 258-9962 allanori@comcast.net

Kevin Woodruff WOODRUFF EXPERT SERVICES, INC. 1100 K STREET, SUITE 204 SACRAMENTO CA 95814 (916) 442-4877 kdw@woodruff-expert-services.com

(916) 781-4291 scott.tomashefsky@ncpa.com

(End of Appearances)